

## COMMITTEE ON FINANCE

**April 20, 2004**

Mayor Baines called the meeting to order.

The Clerk called the roll.

Present: Aldermen Roy, Gatsas, Guinta, Osborne, Porter, O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Thibault and Forest

Absent: Alderman Sysyn

### Resolutions:

“Amending the 1999, 2002 and 2004 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Twelve Thousand Three Hundred Twenty Six Dollars and Fifteen Cents (\$12,326.15) for the 2004 CIP 511304 Park Improvement Program.”

“Amending the FY2002, 2003 and 2004 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Sixty Thousand Dollars (\$60,000) for FY2002 CIP 712002 FBI Blower Project.”

“Amending the FY2004 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of One Million Dollars (\$1,000,000) for FY2004 CIP 612504 Old Wellington Road Apartments Project.”

“Amending the FY2004 Community Improvement Program, authorizing and appropriating funds in the amount of Twenty Thousand Dollars (\$20,000) for FY2004 CIP 612604 JacPac Employee Homeless Prevention Program.”

“Amending the FY2004 Community Improvement Program, authorizing and appropriating funds in the amount of Five Thousand

Two Hundred Sixty Dollars (\$5,260) for FY2004 CIP 711204 LED Program.”

On motion of Alderman O'Neil, duly seconded by Alderman Garrity it was voted to dispense with the reading by titles only.

Alderman O'Neil moved that the Resolutions ought to pass and be enrolled. Alderman Shea duly seconded the motion. Mayor Baines called for a vote. The motion carried with Alderman Osborne being duly recorded in opposition to the \$1 million for Old Wellington Road.

CIP Budget Authorizations:

710799	Traffic Signal Reconstruction-Valley/Jewett St.- Closeout – Revision #1
214002	Sprinkler Fire Alarm System – Revision #3
712002	FBI Blower – Revision #3
711803	CRPS Mechanical Bar Screen – Revision #2
811103	Senior Center – Revision #3
511304	Park Improvement Program – Revision #1
612504	Old Wellington Road Apartments Projects
612604	JacPac Employee Homeless Prevention
711204	LED Program – Revision #2
712204	WWTF Headworks – Revision #1
713004	Crystal Lake Water Quality Improvement Project – Revision #1

Alderman DeVries moved that the CIP budget authorizations be approved subject to final adoption of related resolutions. Alderman Porter duly seconded the motion. Mayor Baines called for a vote. The motion carried with Alderman Osborne being duly recorded in opposition to #811103 and 612504.

Alderman Gatsas stated I would like to beg the indulgence of this Board...

Mayor Baines interjected are you going to do an overhead.

Alderman Gatsas responded we can do it but we are not ready to get to that position as of yet, your Honor. I have a few comments that I would like to make. I commend you for the work you did on your budget and I commend Aldermen Guinta and Garrity for the work that they did on their budget. Putting together a budget or attempting to put together a budget is not an easy task. Trying to keep the thoughts and ideas of the School Department in place and keep the taxpayers

in place is certainly something that we all, on this Board, take to heart. I think it is important that we understand that I don't think there is a Board member here who doesn't think that the education of the children in Manchester is of utmost importance. So, your Honor, when I present this budget I am presenting a budget that is a bi-partisan Aldermanic budget. I think it is important that we as a Board come together with a budget that we move forward with. I think it is important and certainly, your Honor, I would like to see you join on with this budget as we move it forward because I think it is important that in times of fiscal constraint we all join together as one unit and move it forward. The budget that has been adopted by bi-partisan Board is based on a zero based budget and if somebody would assist me in putting up that...well we don't really need an overhead we can pass these out. I think it is important when we talk about the budget that we all understand that creating a budget going forward is working from numbers that you have in the current year. The way the budget was constructed was taking and using the documentation that we received from the School Department and as I said I built a zero based budget. Last year's budget for the School Department was \$127,075,275. When you build a zero based budget you must take a look at the year before's budget and eliminate line items that you think are non-recurring and again not to hurt the School Department. They have already told us that there is \$175,000 in funds that they could create for trust accounts. I think trust accounts are great. I think we should have them but I think that when we are looking at tax rate increases that maybe we can find ways to do that in other avenues. So we deduct \$175,000 from the \$127 million. The FY04 projected surpluses as you will find when you take a look again as I said based on the School Department's sources if you go to Page...well I guess they didn't run the right page but the page where I got the \$404,000 from for surplus if you go to Page 2 and you take a look at the audited financial statement of February 26, 2004 if you take a look at the sub total remaining balance that shows you \$324,000. If you look under the double asterisk at the bottom, it says, "does not include health insurance settlement savings through 1/31/04 in the amount of \$485,000." If you add those two numbers together it comes out to over \$800,000. As you can see, I have only used 50% of that surplus. The ability if this Board wants to, there is an additional \$400,000 that is available. Again, as I asked Mr. Sanders when he was before us and he presented to every one of us that there are 45 retiring teachers. The total savings for those retired teachers was about \$54,481 is what they were being paid. Hiring not at the first step by mid between a Masters and Bachelors at about \$32,500 times those 45 employees results in a savings to the School Department of \$989,000. Again, the benefits haven't been touched because you are replacing 45 employees with 45 new employees so they aren't changed. The benefits remain the same. You then have 22 substitutes for FTE's. That number probably could go higher. My understanding is there are about 45 FTE's that are used as substitutes. If you use \$30,000 as an average salary for 22 FTE's less the \$75 a day for a substitute times 180 days times the 22 positions that is roughly

\$350,000 rounded off. So again as we build our zero based budget we take that \$127 million that we used in FY04 and we deduct from that budget \$1.91889 from that starting point. We now have to add back for the FY05 budget. Does anybody have any questions on the first portion of those lines?

Alderman O'Neil stated I understand your savings. I just want to make sure I am clear on the savings on the 45 retirees. You are saying the average salary for those teachers retiring is \$54,481?

Alderman Gatsas responded that document, Alderman O'Neil, was sent to us...I don't know if it is in this packet but I do have a copy of it. It was sent to us by Mr. Sanders. The total amount was \$2.4 million roughly for those 45 positions and if you take the \$32,500 times the 45 positions it comes out to roughly \$1.4 million. There is about \$1 million difference in savings - \$989,000 to be exact.

Alderman O'Neil asked one more time on the total number for the new teachers.

Alderman Gatsas answered I used \$32,500 as a starting wage.

Alderman O'Neil asked and you said that was a mid-range.

Alderman Gatsas responded that is a mid-range between the \$28,000 and the \$35,000. It is probably a little higher than the mid-range because your average is...maybe some teachers are starting at \$28,000 and you may have to find some experienced teachers at the \$45,000 to \$50,000 range so I used \$32,500.

Alderman O'Neil asked what is that total.

Alderman Gatsas answered that total is somewhere around \$1.4 million roughly.

Alderman O'Neil asked can you walk me through the substitute issue – the 22 substitutes.

Alderman Gatsas responded as we do on the City side there are positions that are unfilled during the course of the year. If you are bringing somebody in because somebody leaves for a three-month maternity leave those people are going to be paid as substitutes to fill those positions. The difference between a \$30,000 position and \$75/day times 180 days because it is 180 days of teaching so those 22 positions are recurring during the course of the year amounts to about \$350,000.

Alderman Shea asked did you take into consideration any mandated programs that the School Department has to add and is that computed here under Federal funds or under general funds. I know when they decided to riff, which they didn't do but

there was discussion about riffing certain types of teachers depending upon where they were. What I am saying is do they hire teachers at a particular time for federally mandated programs but have to compensate these teachers under general funds in order for the Federal funds to kick in? I am not quite sure how that works.

Alderman Gatsas answered there is a difference. When you receive Federal funds, Federal funds are a supplement and you can't supplant.

Alderman Shea responded that is what the Superintendent said but what I am saying is do they hire a person in September assuming that they are going to receive Federal funding in December and pay those teachers out of any general fund money as an expenditure but add the others to their revenues.

Alderman Gatsas replied you are asking me about an internal mechanism at the School Department and none of the things that I have talked about have anything to do with those. I agree with you that we have in the CIP budget a conditional \$10,600,000 that goes to the School Department that we don't see and when you ask the question when you look at their wage line it shows \$69 million of wages and the actual W-2's go out at \$79 million. That additional \$10 million is based on those Federal funds.

Alderman Shea responded but you are saying that whatever...

Alderman Gatsas interjected those are what they are. They don't change. You can see as we go through this that there is no riffing of teachers because the numbers we are looking at, again, are based on a zero based budget. We have taken out the extras and there are additional extras that we could take out of FY04 because they are not recurring expenses.

Alderman Shea stated one of the things too that that project surplus you have listed there can be spent before the end of the school year.

Alderman Gatsas responded they can spend the surplus and they can do as they please. I am just going by statements that they have provided that show us there is an \$800,000 surplus. Now if that is what they want to do my recommendation to this Board would be to pull \$800,000 out of there. I don't think that is the avenue that the School Department is going in. I think that using half of that surplus and allowing them to spend it if they want, that is fine because they should be buying more books. I am not looking to look at individual line items in their budget. Now what we need to do is add in numbers for their FY05 budget. I think the Mayor last night took an opportunity to correct the \$5.2 million number in the cost of bonding. If you take a look at the document that was presented to you this

evening and you go to the last page you will see that the building design debt service that shows up as what the School Department showed us as \$5.254 million. When you actually go to their budget line item, their budget line item shows us that their actual debt service and that is on the page that says expenditures at the top and if you look at their line item projections for debt service in FY04, that number is \$9,535,041. If you take the \$14,142,376 and subtract from that the \$9 million and from that number deduct the \$3.169 million, the increase in debt service for what the School Department is burdened with for the \$104 million construction that we are doing is \$1,435,674. That is the additional cost to the School Department. I am giving that back to them because they must pay their increased share of debt.

Alderman O'Neil asked can you go through that one more time.

Alderman Gatsas responded if you go to this page where it says expenditures and if you take a look at the line item that says debt service, that debt service for FY04 is \$9,535,041. If you subtract that from the \$14,142,715 and subtract from that number \$3.169 million, which is the sending communities' portion of the debt that leaves you with an increase of debt service to the School Department of \$1,435,674.

Alderman O'Neil asked but that is based on the debt service for this year...

Alderman Gatsas interjected for FY05.

Alderman O'Neil replied it says FY04 at the top.

Alderman Gatsas responded the \$9.5 million is FY04. The line next to it, the \$14 million, is the FY05 number.

Alderman Shea asked the expenditure of the net sending towns of \$3.169 million is that considered an expenditure by the City or a revenue.

Alderman Gatsas answered you must figure that one as an expenditure and two as a revenue. However, the difference of the cost of the City's increase is \$1.435 million to accompany the \$3.169 million. That is the City's portion. I will let Mr. Clougherty respond.

Alderman Shea stated well before Kevin answers I am wondering under the \$138,500,000 has that \$3.169 million been added to the expenditure side of the budget or not.

Alderman Gatsas responded what you will see is that is a bottom line expenditure. It is an expenditure but it is not reflective of the School Department's expense.

Alderman Shea replied I understand that. I realize that but somehow or other that has to be included somewhere if it is included in their budget as an expenditure. I see Kevin is nodding his head and saying yes.

Alderman Gatsas responded we are trying to get there. If you just wait a second, he will explain it.

Alderman Shea stated I understand the explanation. I am just saying that if we give them a bottom line according to your budget of \$132,963,583 I still believe that you would still have to add the \$3.169 million to that total even though the bottom...

Alderman Gatsas interjected that is correct, but when you are doing a zero based budget that is not their obligation. I am only showing you obligations of the School Department. I agree with what you are saying. It is an add on and it is also a revenue. We just need to look at what the expense side of the School District is.

Mayor Baines stated but you are correct. The bottom line, Alderman Shea, is that you are correct.

Mr. Clougherty stated you are right. I think for the purposes of this illustration what Alderman Gatsas is trying to do is what is the net taxable impact, not the gross appropriation that we have to make that is going to be offset by some of the money that is coming from the surrounding towns.

Alderman Shea asked are the schools justifiable in adding that \$3.169 million to their budget.

Mr. Clougherty answered yes as long as it is on both sides because you won't have a tax impact. It will increase your number. He is trying to show what is the number that we have to raise in taxes.

Mayor Baines stated in the budget that we presented it was done the same way, Alderman.

Alderman Porter stated you math, Alderman Gatsas, works out. My question is, is the bridge too high or is the water too low. What I am having a problem wrestling with is they have \$5.254 million in the expenditure overview and over here they have the total and then the projection for FY04. I did the subtraction and it is

substantially off. Which number is correct? Is it \$5.254 million or this one? Have you verified either of those?

Alderman Gatsas responded what I have done is I have gone and Kevin has verified it.

Mr. Clougherty stated the debt service number that Alderman Gatsas is talking about here is correct. That is the net number that the School District is going to be responsible for and if we can't, through local non-property tax revenues raise those dollars they will have to be raised in taxes.

Alderman Porter replied my question is why would they have built-in or on that other page why did they report \$5.254 million.

Alderman Gatsas responded I think what we can address for you is that the same question you are asking if we proceed to look at the next few lines I think if you do your math as well as you do it and I know you do and with you I don't worry about whether the bridge is too high or the water is too low because you are a tall guy and we can get there. If we take a look at the next line and talk about salary increases in other, last year's budget if you take a look at their wage line when we see the five year comparison the increase in salaries was roughly 4%. I have taken that number and increased salaries by 4.3%. The 4.3% is \$3,037,523. Alderman Porter I will ask you again that if you take a look at your math and you take a look at the first line budget between what their wages are of \$16 million to an increase of \$74 million you will see that is about \$5 million on the next page and when you come back to build it out they are only asking for \$2 million and an increase in wages. I guess you and I are looking for the same bridge.

Alderman Shea stated I just wondered in that salary increase does that include...I know you have added 15 new positions but where do the 45 other positions that they have to replace come in. Is that part of that?

Alderman Gatsas responded it is already done on the top line. Where you see the 45 retirees we have replaced them with 45 new hires at \$32,500. That is done on the zero based budgeting at the top line.

Alderman Shea asked you have replaced the 45 retirees at \$30,000.

Alderman Gatsas answered \$32,500.

Alderman Shea asked how many have you replaced.

Alderman Gatsas answered 45.



Alderman Shea stated so you assume that they will all be either...your Honor what is the minimum that they start at. What is a BA?

Mayor Baines responded it is in the high \$20's but that the average that he has used in his analysis is the number that the School District uses when you look at an average. Some you can bring it at the minimum and some you have to go higher. What was the number you used again?

Alderman Gatsas replied \$32,500. That is the number that the School Department used.

Alderman Shea asked what does a BA get today. \$30,000?

Alderman Gatsas answered \$28,000 and a Master's Degree gets \$35,000.

Alderman Shea asked so basically somebody starting in FY04 assuming there is no change in the contractual agreement, that would be \$28,500 and then someone with a Master's without any experience gets \$35,000.

Mayor Baines replied yes and as you know sometimes you might have to bring in a science teacher at the maximum for around \$50,000.

Alderman Shea asked how about people who are physical therapists and things like that.

Mayor Baines answered they would be on the high end. If you are bringing in any of the specialty positions...

Alderman Shea interjected how about administrators. Is that included in that too?

Mayor Baines responded no. If you are replacing an administrator that is much higher as you know.

Alderman Shea stated well the person at Southside is resigning or whatever so you are going to replace that person so that would kind of be a little bit more than that wouldn't it.

Mayor Baines replied yes.

Alderman Shea asked would that be included in that number.

Mayor Baines answered I think he used the, in this assumption here he is using the same numbers as the School District.

Alderman Gatsas stated those were the questions that Mr. Sanders provided us answers for and I am sure if we go back...

Alderman Shea interjected I just don't want the playing field to be changed.

Mayor Baines stated I don't think the School District and the Business Administrator will agree with Alderman Gatsas' assumptions on the numbers, which is another issue we are going to have to deal with.

Alderman Shea responded well that is fine. I am just saying that as long as his analysis is understood by us so that what we are saying makes sense to us that is what I am saying.

Alderman Gatsas stated the next line, your Honor, is in that budget that they could live with there were nine new positions. We provided them with fifteen new positions at not \$32,500 but \$35,000. So we increased the positions by six. That amount is \$525,000. The next line, your Honor, is benefits. We didn't touch the benefit line even though you could see in their February 26 report that they gave us and the statements that I believe were made by Mr. Sanders was that they were running at about 10% rather than what they were expecting in their benefits. That benefit number is \$2.050 million. Again, it wasn't reduced and it wasn't touched. It is the same number they were asking for. The other numbers that you see are the numbers that they requested in their budget. I believe it was \$529,000 and \$250,000 or \$230,000 and that total is \$759,000. That didn't change in the budget. The only thing that I removed from the budget was \$1.2 million for the school's increase in maintenance. I believe that this Board voted for \$105 million improvement on schools. I believe that for one year we can bite the bullet and maintain those buildings at the same level. Again, I will remind everybody that three years ago there was a \$1 million item that we talked about at this Board – putting \$1 million into the School Department budget for maintenance. I will remind everybody that it was a choice of either putting it in the bottom line and we couldn't direct it towards maintenance because we were only authorized for the bottom line. The \$1 million went in and they did no maintenance with those funds.

Mayor Baines stated also just to remind everyone the new additions at West High School will be open at the opening of school this year and the new additions at Central will be ready for occupancy, I believe, at the end of November. So all of that square footage is coming on line just at those two schools. That is just a point of information.

Alderman Gatsas stated I will remind everybody that if you look at their budget for FY05 their maintenance projects go from \$100,000 to \$477,000 so I would think that there is some number in there to maintain those projects because again we are based on zero based from FY04 and I didn't deduct anything from their altering line item budget. So when you look at this bi-partisan budget and what we are looking to give the School District as a bottom line budget and again I haven't touched the line items within their budget, I built a budget going forward. I don't think that there is anything in here that somebody can say, Alderman, you have exaggerated it and we don't have that number there. It is unheard of to give 15 new positions when we only asked for 9. There is no reason to say that we have a savings of \$1 million on 45 retirees because it does exist and we have increased the salary line by 4.3% instead of 4% the year before. Again, your Honor, I would love to have you join this bi-partisan budget so that we may go forward.

Mayor Baines asked describe bi-partisan to me.

Alderman Gatsas answered I think you can see by the very few questions that have been asked that a lot of the Board members have seen it and looked at the numbers and are aware of it. I see Alderman Lopez over there anxiously jumping on board on this budget or maybe he has a question.

Mayor Baines stated first thing and I will reiterate that the School District was not made aware of the presentation this evening. I think in all due respect there will be a different analysis of the numbers because the same people that you worked with who helped you develop the figures were the same people that worked with the School District and my office to develop the numbers that we presented that came to a totally different conclusion on the needs of the School District. What I would recommend is that this be part of the Finance deliberations going forward but with all due respect to the School District I think they should have a chance to come in and give their interpretation of the numbers and I hope the Board is so included to do that.

Alderman O'Neil stated I have a couple of questions for Alderman Gatsas. You mentioned and I was writing them down, under Other you mentioned \$529,000 and \$230,000 and I didn't get where those numbers came from or what they were for.

Alderman Gatsas responded that is on the very last page and those come from numbers that the School Department provided for us. The \$520,000 is the additional other City services and all other net is what they have altered in their

line item budget for an additional \$239,000. I have not altered those or changed them.

Alderman O'Neil asked where you came up with the difference in that \$1.2 million was from...I am looking at the expenditure page. There was a difference of \$1.2 million between...

Alderman Gatsas interjected building maintenance. What I did was I level funded building maintenance in FY05 at the same rate that it was for FY04.

Alderman O'Neil asked do you know...I am guessing that part of that is the ServiceMaster agreement. Do you know if there is any increase in that agreement? There must be some cost of living or something.

Alderman Gatsas answered as far as I know there is no increase.

Mayor Baines stated the more important question is was there any conversation with Frank Thomas or Kevin Sheppard to flesh out all of the requirements of Building Maintenance with all of these additions that are going on.

Alderman Gatsas responded I think I have presented you a budget that...we can do the correlation with where you want and I understand that. If we want to juggle the numbers moreso, again as I said to you I only took 50% of the reserves in savings or the surplus that appeared at least by February. Now as Alderman Shea said or I think maybe you made the point or Alderman Lopez somebody did that they could spend those and they may not be there. I don't think that that is certainly a position that the School Department wants to be in.

Mayor Baines replied they could if, in fact, their analysis came out that they might not have enough paper for the kids next year they might very well spend down any projected surplus to make sure that they have supplies for the kids. There would be some options there as well. Again, I think it is good to have these numbers out here but I think we should allow the School District to react to them before we make a final decision.

Alderman Shea stated my understanding just in adding up my figures is that your total budget and again there is a dispute about the \$3.169 million but it would be \$136,132,583. That would include the amount of money that the City gets from the sending districts but has to provide that as part of their debt service because the debt service is reflected on the bonding that we have taken out but the \$3.169 million is also a revenue that is reflected on the revenue side. Would you concur with that?

Alderman Gatsas responded if that makes you feel more comfortable I agree with you.

Mayor Baines stated it is very simple. You are right, Alderman Shea. You are correct in your assumption.

Alderman Lopez stated first of all I want to thank Alderman Gatsas for a non-partisan review of this and sharing some of the information with some of the Aldermen and the people who have worked on the budget and I think from a zero base and us working from the back going forward our numbers are not too far off. There are some questions that have to be answered. Kevin when we looked at the design-build we said that the City had \$2,085,000 and the difference now is \$1,435,674. How did we come to that number in comparison with what was in the School budget? We were using \$285,000 in the blue book.

Alderman Gatsas responded if you take a look at the \$5.254 million number and you subtract \$3.169 from that number you get \$2.085 million but I think you will remember that we corrected that. If you take a look again at the last page where it says expenditures and you subtract the \$9.454 million from that number...actually it is the fifth page. If you look at Page 5 the debt service for FY04 was \$9,538,041. If you subtract that and maybe what I should have done is shown you the subtraction, if you subtract the \$9.538 million from the \$14.142 million you come up with \$4,604,674, which is the actual total debt service. If you subtract from that number the \$3.169 million you come up with \$1,435,674. That is what the cost is for the School District for their increase in debt.

Alderman Lopez asked and you are using \$225,000 right. I am looking at my sheet and it says \$310,000 – the report from the School Department.

Alderman Gatsas answered I am using expenditures. This is what they gave us when they presented their budget to us.

Alderman Lopez replied that is a question that I need to have answered. That is fine and the School Board can verify that. The other one that I am curious about because I had a problem with it is in reference to the 45 vacancies that they carry. I am told that after 20 days they have to pay at a higher salary and I need to have that clarified in my own mind as to a complete analysis of that.

Mayor Baines responded that is correct.

Alderman Gatsas asked are you talking about the 22 substitutes as FTE's.

Alderman Lopez answered right. After 20 days they have to pay them at a higher salary per diem so I need to have that number clarified to make sure we are not shortchanging.

Mayor Baines stated so for example if you had a substitute teacher that would sit on the salary schedule let's say of \$40,000+ or whatever it might be they would be in there at the substitute rate for and again I haven't looked at the contract for awhile but 20 days and after 20 days they go on per diem based on where they would be on the salary schedule.

Alderman Shea stated and that stays in existence for 90 days and then they are given a contract.

Mayor Baines responded that is correct.

Alderman Shea stated so basically we need to clear up those few items here before I can actually vote on it.

Mayor Baines responded I would hope so. I appreciate the interpretation of the numbers but we went through this process with the Finance Department and the School District and the budget that was proposed came from that entity with the same kind of analysis. I think we need to be cautious here to get the School District in and explain some of the numbers.

Alderman Lopez asked, Kevin, are these your numbers or are they the Alderman's numbers.

Mr. Clougherty answered these are numbers that he generated looking at information that was provided to him by the School District. He asked us to format it and go back to the extent that we had information to verify those numbers.

Alderman Lopez asked did you verify the \$1,435,674 in debt service.

Mr. Clougherty responded the debt service numbers we are okay with, Alderman. The one area where we might have questions is on the salary numbers because we just don't have the data that we used to. Once upon a time we had all of that payroll and now we don't.

Mayor Baines stated all that the Finance Officer can go on is assumptions because we don't have there...

Alderman Gatsas interjected right and again I don't have a problem...I certainly respect Alderman Lopez's question. The number that we have in there for those 22 substitutes is \$350,000. You have to remember that down below I added six new positions, which totals \$210,000 so we can interchange that in any fashion that we want to interchange it. The funds are there. As I am saying, we allocate a bottom line. I didn't cut budgets; I built a budget so when you look at those they are interchangeable.

Mayor Baines stated I have two other pieces of information. As the budget goes down the tuition goes down and once the School District gets their revised number they can sit down and renegotiate all of the City services as well. This is a very fluid situation.

Alderman Thibault asked why can't we get the School Department back in here.

Mayor Baines answered I think that should be a recommendation.

Alderman Gatsas asked did they have an opportunity to look at your figures before you presented them to this Board. I think you presented a budget didn't you?

Mayor Baines answered the process is that we get input from everybody. When you develop a budget...if I were making some assumptions on building maintenance with all due respect, Alderman Gatsas, I would be talking to Frank Thomas and all of the people providing services asking how it was going to impact the City side. Of course you bring in the department heads and talk to them. That is why we pay them.

Alderman Porter stated I have three areas that I would like to have clarified before I would be willing to vote. One is the building maintenance issue, which you addressed and Alderman O'Neil did address. Is there any increase over the FY04? Is it as much as they say and what will it mean if we don't give them that money? The other question is on the debt service I would just like to find out where that \$5.254 million came from. That \$5.254 million they had on the other page.

Mayor Baines called Kevin Sheppard forward.

Alderman Porter stated I thought I only had two but thanks to Mr. Clougherty I now have three salaries. I think that these are things that would have to be clarified to me before I could proceed.

Mayor Baines responded these numbers have not been verified in the School system.

Alderman Gatsas asked are you saying, your Honor, that if they are verified you will endorse this budget.

Mayor Baines answered no. What I am saying is that when you develop a responsible budget you talk to the people that are being paid to manage the School District and at least get their input before you make a decision. I think that is sound management.

Alderman Gatsas stated I don't have a problem endorsing yours, your Honor, but you have a problem endorsing mine if the figures are right.

Mayor Baines called on Mr. Sheppard.

Alderman Gatsas stated I didn't think you would answer that question.

Mayor Baines responded I have certain authorities under the Charter, which I will exercise if I feel they are necessary.

Mr. Kevin Sheppard asked is the question about increases in the Building Maintenance budget.

Mayor Baines responded the question that came up is the recommended increase that we put in the budget for maintenance of the buildings did not meet the recommendations of your department and we cut it back. Alderman Gatsas used the same number that we had this year. I am arguing that that is not a prudent thing because we are adding all of this square footage to the building. Then the question came up how does this affect the contract with ServiceMaster so that is the general framework.

Mr. Sheppard stated we were requesting approximately...well in discussions with the School District we were talking, I believe, \$1.60/square foot for maintenance. Currently it is around \$.65 and I believe as part of the Mayor's budget it was brought up to about \$1/square foot as a phased approach for maintenance. There is additional square footage coming on line that does impact the ServiceMaster contract that was part of our Building Maintenance budget and I believe the School District carried that in their budget.

Alderman Gatsas asked can you tell me how many square feet are under construction that you couldn't maintain if you tried at \$.65 a square foot.

Mr. Sheppard replied quite honestly I am not ready to address that tonight.

Alderman Gatsas asked would you say it is 30% of the project.



Mr. Sheppard asked could you clarify the question.

Alderman Gatsas answered my question is this. You have buildings under construction. Those buildings that are under construction have square footage that you couldn't maintain if I gave you \$10/square foot because people are operating in them on a daily basis. So other than sweeping floors and keeping them clean so that kids can go to class, you can't increase maintenance on those spots because it is part of the construction site.

Mr. Sheppard responded correct but some of that space will be turned over to the City in the following year.

Mayor Baines stated there are two sites that I just mentioned. Was I accurate on that? West High School is scheduled to occupy the new space on the opening of school and I was told by the Gilbane folks that the main area at Central High School should be open by the end of November so all of that new square footage is coming on line. Am I correct?

Mr. Sheppard responded yes I believe that is the schedule.

Mayor Baines stated with all due respect, Alderman, we are doing this and we have to put some money in to keep the facilities clean and maintained from Day 1. I hope we have learned some lessons from the past. Maybe not.

Alderman Roy stated staying on that line, Mayor, thank you and I would like to thank Alderman Gatsas for bringing this forward and I would like to review it and work with him on bringing together a budget that everyone – the taxpayers and the schools and the citizens can live with but I would like to stay on the vein where we are asking Mr. Sheppard...Kevin I have heard a number of numbers since I have taken this seat as to what the maintenance cost attributed to the \$105 million school renovation project is. I know you weren't expecting this question but if you were to look at the entire project how much could the City have avoided had we had an average instead of sub-average maintenance budget for our schools? I have heard numbers ranging from \$20 to \$40 million. Is that accurate?

Mr. Sheppard responded that is probably accurate. A lot of it is upgrade work – heating and ventilation. Half of the work is probably new construction. The other half is probably or 50% of that remaining half is probably upgrading of ventilation systems. So that is probably not an inaccurate number.

Alderman Roy asked so 20% to 40% of \$105 million could have been avoided if we increased that number in the past.

Mr. Sheppard answered yes I would say it is closer to 20% or 25%.

Alderman Roy stated Kevin, Tim Clougherty gave us a presentation at Joint Schools that the \$1.62/square foot was the nationwide average. Are you aware of that?

Mr. Sheppard responded yes.

Alderman Roy stated and what we are looking to spend...actually it answers itself. The \$1.62 is the nationwide average and you can confirm that?

Mr. Sheppard responded right. That was based on information we gathered from two outside sources and Tim's source.

Mayor Baines asked and you recommended \$1.05 or something like that.

Mr. Sheppard answered I believe the recommendation actually came out at \$1.50 and under your budget it was considered to be a phased approach and would move up to approximately \$1 for the coming year.

Alderman DeVries stated I have heard the discussion and the volley back and forth now a couple of times and I still have not been able to hear a clear answer. Kevin, on the debt service, the tuition money, the \$3.169 million coming in I understand that it is showing both on the revenue side and the expenditure side and it cancels itself out. Can you explain to me why the School Department felt it was important to incorporate that into their budget or do you just think that was gouging?

Mr. Clougherty responded no I don't, Alderman. In order for those dollars to be paid, there is going to have to be an appropriation by this Board. Whether it is included in the bottom line resolution or it is included in some other resolution is a question that we will have to research. In all likelihood it will have to be included as the School District portrayed it within the bottom line but for purposes of illustration tonight I think Alderman Gatsas was trying to show what the net tax was and that is one way to make that distinction very clear.

Alderman DeVries asked so either yourself or Alderman Gatsas and I think probably you can answer it, the actual number that we are looking at, which is \$135 million...

Mayor Baines interjected not it is \$1,435,674.

Alderman DeVries stated if we are going to add the \$3.169 million back into this, the \$132 million actually increases by that number if we are making a comparison to the Mayor's budget. What is that number? I just don't have a calculator with me.

Mr. Clougherty responded that is the number that Alderman Shea gave earlier. I believe it is \$136,132,583.

Mayor Baines stated just to clarify all of the department heads saw my numbers before I came to the Board and, in fact, they were part of an ongoing process throughout as well.

Alderman DeVries stated while we have Kevin Sheppard up here, the increase in the Aramark contract do you know the increase this year over last year.

Mr. Sheppard responded I don't know the actual number. It is based on CPI and it is somewhere around 4%.

Mayor Baines asked so you have an increase that you have to absorb.

Mr. Sheppard answered it is part of the contract right.

Alderman DeVries asked can you give us a ballpark. I mean are we talking \$50,000 or \$100,000?

Mr. Sheppard answered with this size contract of \$3 million or \$3.5 million it is probably about \$200,000.

Alderman Forest asked can we move to table this while we all work together to come back with some numbers.

Alderman Thibault duly seconded the motion to table.

Alderman Gatsas asked for discussion.

Mayor Baines replied there is no discussion on a motion to table. Solicitor Clark, could you must clarify the motion to table.

Solicitor Thomas Clark stated under the rules of the Board the Mayor is the presiding officer and under State law the Mayor is the presiding officer and issues rulings on the rules of the Board. Typically, a motion to table is not debatable.

Alderman Gatsas stated I have a parliamentary question. If this Board wanted to continue this discussion would it be appropriate for this Board to vote no on the tabling measure?

Mayor Baines responded if they wanted to continue discussion tonight then yes they would vote no. If they want to defer it to have the School Board come in...

Alderman Gatsas interjected roll call.

A roll call vote was taken. Aldermen Gatsas, Guinta, Osborne, Porter, O'Neil, Lopez, Shea, DeVries, Garrity, Smith and Roy voted nay. Aldermen Thibault and Forest voted yea. The motion failed.

Alderman Shea stated what I was interested in is when you indicated before and you passed over it quickly you said that depending upon how much the School budget is, it is reflective in the per pupil cost and, therefore, it is kind of a wash for the City or is it a gain. How does that work out? In other words could you explain that.

Mayor Baines responded when you reduce the budget and again the actual cost of tuition on the main part of the tuition analysis is based on the per pupil cost to educate a child in Manchester so basically and I am just putting this as part of the whole mix when your numbers are reduced that could actually impact the cost of tuition.

Mr. Clougherty replied that is conceivable.

Alderman Shea stated my follow-up is when the School Department makes out a budget for \$140 million and you cut it down to \$138.5 million, which figure is reflected in their revenues, the \$140 million or the \$138.5 million or no figure at all until the final budget is determined.

Mayor Baines responded they estimate a ballpark. Again, we are not talking huge shifts here. They have an estimate on tuition and sometimes they have to reimburse the district the following year so they put that into their budget too because if the tuition cost does not come out as projected and calculated they actually have to reimburse the sending towns.

Alderman Shea asked so what are we talking about, very little or a couple of hundred thousand. What are we talking about Kevin?

Mr. Clougherty responded it is all a product of not only what the bottom line is that this Board appropriates to the School District but how they choose to

reallocate those dollars, Alderman, and how that gets allocated amongst the services that are being provided to the School Districts versus the elementary schools. There are a lot of variables there in terms of how a bottom line decision translates into a tuition bill.

Alderman Shea stated this may be the wrong analogy I am drawing but are we on the one hand shifting some of the cost of education on the part of the locals if we have a lower budget and the state doesn't come through with as much money...is there any impact that way or is it just nothing at all when they make out that MS form and so forth.

Mr. Clougherty replied certainly if you adopt a budget of a particular number it is predicated on your assuming certain revenues coming from the state at the time you adopt your budget and you forecast what you think the tax rate will be. If subsequent to that there is an action by the Legislature that either increases or decreases that amount of revenue, that will have an impact on the tax rate.

Alderman Shea asked it will.

Mr. Clougherty answered yes.

Alderman Lopez asked in the School District revenue of \$20 million, the \$3 million was included in that.

Alderman Gatsas answered no. I think if you take a look at the page I have shown you that \$3 million has been removed so that it is a constant on both sides. You can see it as \$17 million in the portion that we have presented.

Mr. Clougherty stated to answer your question the difference between the \$20.8 and the \$17.7 million is the \$3 million that we are talking about.

Alderman Lopez responded right and I just want to clarify that.

Mr. Clougherty stated it is taken out of both sides.

Alderman Lopez stated if you take it out of both sides then the tax goes down and the percentage goes down.

Mr. Clougherty replied no actually if you take it out on both sides it has no tax impact at all. It is neutral because you are taking it out of both sides.

Alderman Lopez stated the \$20 million is located here though in the Mayor's budget right.

Mr. Clougherty responded right the \$20 million did include the full appropriation for the debt service in the Mayor's budget and it was reduced by the \$3 million so that is the difference on the revenue side. The \$138 million on the Mayor's side included all of the debt service whereas the \$132 million in Alderman Gatsas' presentation does not.

Alderman Lopez stated we can really talk about this thing all night. It is just a question of verification because in all honesty I just couldn't vote for it without knowing the answers to the questions I asked in reference to the 45 positions and some of the debt service and the maintenance. I am a little leery about that. Basically, we are looking at the same area. We did it backwards and he brought it to a balance from zero up. It is just a verification from the School side I think that we need to make sure that we are not short-changing them.

Mayor Baines asked are we talking a \$2.4 million difference my budget and this budget.

Alderman Gatsas answered that is correct.

Mayor Baines stated again that is what I recommended. I don't know why we just didn't table it.

Alderman Lopez stated I am looking at \$700,000 more and I want to make sure.

Alderman O'Neil stated I voted against tabling it at the time but I will support bringing in the School District. I have another question for my colleague. Alderman Gatsas you mentioned tonight and I have worked with you both on this level and on the state level bi-partisan proposal. Who else worked with you on this? Are you at liberty to share that information?

Alderman Gatsas responded Alderman O'Neil I think you know how I operate. I try and get as many people involved when I try and get a consensus of what I am bringing forward. I don't try and eliminate people. I try and bring people together so that we can have a consensus on how we are moving and what we are doing. I can tell you that a majority of this Board looked at this budget, looked at the numbers, didn't...I guess the comment I had was that if Kevin Clougherty would agree with the numbers that we would be fine with the budget. I still call it a bi-partisan budget because I believe that a lot of people on this Board put in effort and worked on this budget and put their foot forward with this budget.

Mayor Baines stated I am a little bit perplexed with and I don't want to draw Kevin into the middle of it but my budget is developed with the Finance Officer

and the Deputy Finance Officer who verify the numbers that we come out with in the budget so I am a little bit perplexed by that.

Alderman Gatsas responded let me address that. What the bi-partisan budget was all about was the numbers you have before you have not changed other than a small reflection in different line items and I think my colleagues will agree. We are basically close to the same number and Kevin Clougherty, the question I had was, did he agree to look at these numbers and justify the numbers we had before us. I did the same thing you did, your Honor, and I think the only disadvantage we have right now as a Board, the disadvantage we have as a Board and I don't question that I am not looking to cheat the School Department one nickel but the disadvantage we have, your Honor, is that right now because they didn't riff teachers they are going to come in and tell us that they have to cut books and athletics and different positions than what we have talked about. Again, because they didn't riff teachers it is now going to be our burden, our burden as a Board, if we don't approve the \$138 million. Again, the burden is going to be for us to look and see what sports we are going to eliminate, what books we are going to eliminate and what other things we are going to eliminate because they didn't take a position of riffing teachers, which we didn't tell them to or not to.

Alderman Smith stated in regards to all the figures here. I think there's seven different budgets going around. There are five Aldermen and the Mayor's and School budget. I think in all fairness I thought it was very abrupt that we didn't let the School Department make a presentation a week ago Monday, and I really think that they could come down and Alderman Gatsas, we could get everybody in together, all of the figures and explain it, because I believe communication is at the time right now and we can settle this once and for all.

Mayor Baines stated and I would agree to go with Alderman Gatsas over to the School District and sit with their people and crunch numbers with them. So I'll invite him to do that.

Alderman Gatsas stated I agree your Honor. So what you're saying to me is if they agree with these numbers, you'll endorse this budget?

Mayor Baines interjected what I just said Alderman, I will invite you and I think invitations are good and take advantage of the opportunities. I'll go over to the School District with you and we'll crunch numbers.

Alderman Shea stated if you do go with Alderman Gatsas, I would like to be included because I think that's important.

Mayor Baines stated we just can't have a quorum though, we have to be careful.

Alderman Shea stated I want to first of all to answer Alderman O'Neil, it was in a sense a bi-partisan situation. Some of us looked at the figures and wanted verification of certain items and I know that Alderman Gatsas would not disagree with that and there were some questions about the debt service that came about. Obviously if you subtract \$1.69 million from \$138.5 million you would come out to about probably \$135 million, something like that in terms of that number. Subtracting the debt service that you have on the \$138.5 million is an expenditure. If I'm not mistaken.

Alderman Gatsas stated your Honor you addressed it last night when you presented and it you said it was a 5.1 percent budget, I think we're all in the same avenue and understanding.

Mayor Baines interjected you're dealing with apples to apples. Alderman, we're all dealing with apples to apples here. There's approximately a \$2.4 million difference between my recommendation and the budget that's been analyzed this evening.

Alderman Shea stated and I think in all due respect, Your Honor, I really think that none of us can take an arbitrary position and say let's look at the figure, let's look at the work and so forth.

Mayor Baines stated I agree.

Alderman Shea stated I want to make one comment, your Honor, because I think it's important. At a recent School Board meeting, if you recall, certain names were mentioned. I think that's very inappropriate and a person...I take care my business, as you know Your Honor, and I let that person know by telephone what I thought of his comments, etc. But he made comments, Your Honor, that I think are very uncalled for and it doesn't work in municipal government for one board to chastise members of another board publicly when all of us are trying to work together. I mean there is no one on this Board, your Honor, that would not want to see the best possible situation. We have a certain obligation that the School committee members do not. They are concerned primarily with the education of children; they are concerned with labor costs and so forth. They deal with a School District problem. We, on the other hand, are dealing with various types of departments and various individuals within that department. So I think that it's incumbent that these people realize that when your budget is submitted we don't have the opportunity beforehand to discuss these things. Even though they may work at it for months on end. But I think that should be made and I think that there should be as I have not listed publicly that individual. And I don't think, Your Honor, that you should allow people at a School Board meeting to publicly



let other members pass dispersions on others and I personally take resentment towards that because the person did not have the facts correct. He apparently said he was reporting something that he heard.

Mayor Baines stated Alderman, as you recall, I do try to conduct myself and I don't respond to personal attacks and I don't make them.

Alderman Shea interjected and in the past you used to tell the person not to mention names.

Mayor Baines stated and that could happen here 100 percent too, but it doesn't always.

Alderman Roy stated you just made the statement or offered to Senator Gatsas to go to the School Department and work with them or reviewing numbers. Our Chairman asked if he could be involved. As one who is very interested in the budget and seeing this for the first time tonight, I would look to see the School Board come to us and justify a review. Having this out in the public and having the members of the Board able to review and work on it is the only way come the beginning of June we will be able to put a good budget to the taxpayers.

Mayor Baines stated I totally agree with that. But I just thought it would be good if... It was an offer I made to Alderman Gatsas that's all. It was nothing more than that. Of course they should be here. I wish they were here tonight.

Alderman Roy stated we could request that Mayor for the next meeting.

Mayor Baines stated and if we talk to them when they come here, that would be good too.

Alderman O'Neil stated I want to applaud you, Your Honor, for the efforts that you put into the budget you presented and I wanted to applaud my colleague from Ward 2 for the efforts he put in. I don't know who else was involved in it, but I'll give him the credit because he's the one that spoke up tonight regarding it. I have been where we've grabbed numbers out of the air and that's been budgets that have been approved. And I think we may end up not all agreeing at the end, but it won't be for the lack of hard work by either you or by this Board, so credit to both of you this evening.

Mayor Baines stated and the other thing that I want to say that I appreciate very much is that I've been here long enough to know that sometimes there are no other proposals that surface at all during the two months and right to the last meeting. I know the first year I was Mayor there wasn't anything happening until the very

last meeting in June. So the fact that Board members are coming forward with suggestions and ideas is going to be very healthy to the process at the end. But I will caution the Board that at end of the day we are going to make sure that our figures are correct, that they've been verified, that just one person's interpretation of figures does not make them right, and we need to make sure that we're making good decisions because there's high risk here in terms of vital City services. I'm not just talking about schools, we want to make prudent decisions that protect vital City services and we're going to educate our kids, and we're going to meet our obligation to our students, and I'm going to be very firm on that and that's a position, as you know, I've always held.

Alderman O'Neil stated I have one final comment and I do want to give Alderman Gatsas credit. He did try to reach out to me yesterday and I, not because of his schedule but because of mine we were not able to get together before this evening so I just want to state that.

Alderman Porter stated I would like to commend Alderman Gatsas for thinking more like an Independent and we are gaining every day.

Alderman Lopez stated first I want to apologize to the School Board. There seemed to be some misunderstanding when we tabled it and they were here last time. I have already spoken to the Mayor about this. When we say we have a Special Meeting of the Board of Mayor and Aldermen that is what I was referring to at that time and for some reason the School Board came over here. You can check the minutes in reference to that. Anyway, I apologize to them and hope that that ends that. The other clarification I would like to make is clarification of the numbers of the Finance Officer. I think that if the statement is made that the Finance Officer makes it, I think the question is which Finance Officer makes it. Not just taking the final word because I think that even Kevin will realize that he has to check with the Finance people over at the School Department and that is what I was talking about. Just keep that in mind.

Mayor Baines responded I don't think that happened during this part of the process. Am I correct? You said that right up front. During my part of the process the Finance Officer did work directly with the School District to come up with the numbers and that is the difference here. While you are clarifying that last statement I think it is an important clarification. It was reported in the newspaper that I made some comments that I was upset because we didn't have the discussions with the School District and the way it was reported came across on the budget and that needs to be clarified as well and I love the way they do that. They take half of the story and they run with it but that is life in politics.

Alderman DeVries stated I would also like to commend Alderman Gatsas for working through the numbers. I think several of us had sat individually looking at the numbers feeling very uncomfortable with the possibility of sending to the taxpayers an 8% tax increase this year. When we started to scrutinize the budget we thought that there were some components of the budget that appeared to be excessive. Some of the different salary components that the \$138 million was built around were excessive and beyond what I felt was reasonable this tax year. Some of the maintenance items appeared to be excessive, especially when we looked at them in light of the \$40 million of routine maintenance that is part of the \$105 million design-build. If you recall when we looked at the design-build, \$40 million of that was to take care of routine maintenance. Absolutely that means that we did not do our job in the past but that means that there are additional monies being spent over the course of the next four years to take care of routine things that normally the School Department would spend their \$.65 cents, which is level funding. Such items as painting and replacing the floors. I think the \$.65 level funding from last year added to what we are bringing from the design-build is more than adequate at least for the next couple of years. I certainly agree with the Highway Department that when we are done with the design-build or at some point through the process of the design-build we do have to increase so that we do not have to bond \$40 million worth of routine maintenance in another 20 years. There are a lot of similarities when we looked at the bottom line of numbers that we felt were comfortable and reflective of what would truly take care of the school system and would truly be more favorable to the taxpayers. I think if Alderman Gatsas was willing to concede this evening and look at the number of \$136,132,583, which is the exact same number it is just adding the tuition towns' dollars back into this figure. As Kevin Clougherty had indicated it is six of one and half a dozen of the other as to how we look at it but I think that several Aldermen on this Board would feel much more comfortable if that was the number that he was looking for consensus on.

Alderman DeVries moved to approve the budget of \$136,132,583 for the School District. Alderman Gatsas duly seconded the motion.

Mayor Baines asked without any discussion...you are willing to support a budget without any discussion with the School District.

Alderman DeVries answered yes. I am comfortable with that this evening.

Mayor Baines asked so the motion is for the Finance Committee to support a School District budget of \$136,132,583. That is what you are moving tonight?

Alderman O'Neil requested a roll call vote.

Mayor Baines stated we are in the Committee of Finance and that is different than the Board of Aldermen. That to me is blatantly - and I will repeat it again, irresponsible. When we do not extend the courtesy to the Superintendent of Schools and the School District and the School Board duly elected by the public...they have never seen this number, never seen this number to come over and have a thoughtful discussion with the Board on...many questions we couldn't even answer tonight.

Alderman DeVries responded if I could just follow-up on that...

Mayor Baines interjected no we are going to move on to other discussion. Alderman O'Neil is speaking next.

Alderman O'Neil requested a roll call vote.

Alderman Guinta stated there are a couple of things that come to mind. The budget that was presented by Alderman Garrity and myself has been out in the public for a week now. I have not heard from the School Board or the School Administrator asking to have a public discussion about that number. If you are advocating that we discuss...it sounds like you are very passionately advocating that we have a discussion with the School side. What I can tell you is that in the last seven days I have not heard from them.

Mayor Baines responded I think they are waiting to come to a meeting.

Alderman Guinta asked do we need to invite them to come.

Mayor Baines answered they would have been here tonight if they had been told that there was a presentation on the School District budget.

Alderman Guinta stated the other comment I would like to make is first of all I think it is wonderful that we are having a discussion centered around efficiency and budgets. It sounds like there is a general agreement that this Board would like to see the tax increase lower than the 8% that was initially presented. I would applaud the Board for that sentiment. I think that is very important. The concern that I do have if we take an up or down vote on this this evening is that it doesn't provide the ability to have the parallel process that we were talking about in terms of consolidation and there is renewed sentiment on this Board for consolidation. There is bi-partisan or tri-partisan...I commend my colleague for presenting this number and I certainly agree with Alderman DeVries that there is probably a way that we can reduce the number without impacting City services and I dare say that you may agree with it to so long as we have some financial consensus.

Mayor Baines responded absolutely and the other thing I want to clarify is we have not set a tax rate. We haven't got the report that is going to come in on insurance. We haven't got our final assessment on what the tax base is going to be. We have not set a tax rate. Again, if you read the local newspaper we set a tax rate. The tax rate will not get set until November and the financial picture always changes. Hopefully, it will change for the better. This notion that we have an 8% tax increase is nonsense. There is no 8% tax increase. It is a projection based upon very preliminary numbers but we keep saying we have an 8% tax increase. We do not have an 8% tax increase nor do I believe that we will have an 8% tax increase. I said that during my budget message three times and it wasn't reported once I don't believe. Maybe once buried someplace.

Alderman Roy stated I would like my colleagues to look at a couple of numbers. The first number is 21 days since we received the Mayor's budget and his presentation and we have had the ability as a Board of Aldermen to look at it. It is our duty to take that time and work aggressively, effectively and together. I have given the *Union Leader* reporter an earful because I have used the word teamwork for the past 21 days in discussion of budgets. I am working through numbers. I have made no lie about that and I will sit down with anyone who wants to. We have 44 days left before we have to pass the budget resolutions. I would like to take at least as much time as we have had it from the Mayor to look at that and at this point I would like to move to table this budget until we get a review from the School Department and continue working on it.

Alderman Gatsas responded we already have a motion on the floor.

Mayor Baines replied a motion to table takes precedence.

Alderman Gatsas stated you have a motion on the floor.

Mayor Baines responded excuse me Alderman but I have been around parliamentary rules for quite a long time in my life. A motion to table takes precedence over every other motion.

Alderman Thibault duly seconded the motion to table.

Alderman Gatsas stated I have a parliamentary question. If I were to vote the motion down it would be because there was a motion on the floor of a colleague of this Board that we should at least have the respect for. So I am voting no for the motion of tabling.

Mayor Baines requested a roll call. Aldermen Gatsas, Guinta, Osborne, DeVries, and Garrity voted nay. Aldermen Porter, O'Neil, Lopez, Shea, Smith, Thibault, Forest and Roy voted yea. The motion carried.

Alderman Lopez stated I would like some clarification from Kevin. This is my fifth budget and the Finance Officer has always checked the numbers for the City side and the numbers have already been checked for the School side so I think that courtesy has to be given them because I don't think that you can certify all of those numbers.

Mayor Baines responded with all due respect Kevin said that.

Mr. Clougherty stated my understanding is that Randy tried to talk to the people at the School District and they haven't made contact. We need to talk to them and we will and we will bring you back further information on the issues that were raised by Alderman Porter and yourself and we will have that when the School District comes in.

Alderman Shea stated I am a little bit confused about the tabling of it. Is this going to be referred automatically to the Finance Committee?

Mayor Baines responded it will stay in Finance and the next Finance Committee meeting it will be on the agenda.

Alderman Gatsas asked when are you going to bring the School District in.

Mayor Baines answered at the next meeting.

Alderman Gatsas stated let's have a special meeting to have them come in here tomorrow night. It is not too difficult to address the numbers. They are on TV. If they don't know by now, I would be shocked.

Mayor Baines responded they have meetings scheduled on the other side. They have committee meetings. I know I am not available tomorrow night and it would need to be posted. It would not be a legal meeting. We will bring them in at the next Finance Committee meeting.

There being no further business, on motion of Alderman Thibault, duly seconded by Alderman Garrity it was voted to adjourn.

A True Record. Attest.

City Clerk

